



Training Proposal for:
Armstrong World Industries, Inc.
Agreement Number: ET12-0230

Panel Meeting of: **December 16, 2011**

ETP Regional Office: **North Hollywood** Analyst: J. Romero

PROJECT PROFILE

Contract
Type: Priority/Retrainee

Industry
Sector(s): Manufacturing

Counties
Served: Los Angeles County

Repeat
Contractor: ☐ Yes ☒ No

Union(s): ☐ Yes ☒ No

Priority
Industry: ☒ Yes ☐ No

No. of Employees in CA: 132

No. of Employees Worldwide: 10,624

Turnover Rate %	Manager/ Supervisor %
1%	13%

FUNDING DETAIL

Program Costs	Substantial Contribution	Total ETP Funding
\$168,912	\$0	\$168,912

In-Kind Contribution
\$207,222

TRAINING PLAN TABLE

Job No.	Job Description (by Contract Type)	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Priority/Retrainee	Continuous Improvement, Business Skills	92	24 - 200	0	\$1,836	\$15.37
				Weighted Avg: 102			

Minimum Wage by County: \$15.37 per hour for Los Angeles County.

Health Benefits: ☒ Yes ☐ No This is employer share of cost for healthcare premiums – medical, dental, vision.

Used to meet the Post-Retention Wage?: ☒ Yes ☐ No ☐ Maybe

\$2.65 per hour may be used to meet the Post-Retention Wage.

Wage Range by Occupation	
Occupation Title	Wage Range
Engineers	
Production Operators	
Production Supervisors	
Managers	
Maintenance	

INTRODUCTION

In this proposal, Armstrong World Industries, Inc. (AWI) seeks funding for retraining as outlined below:

AWI is a worldwide company of approximately 10,800 employees who manufacture and market a vast portfolio of branded products and services. In 1938, the company started its manufacturing facility in the city of South Gate, drawing employees primarily from Los Angeles County. AWI products include commercial and residential floor coverings, acoustical ceilings and grid systems, and wood cabinets distributed to various home centers such as, Home Depot, Lowes', specialty retailers, and local flooring stores. The company is eligible for standard retraining and priority industry reimbursement as a NAICS identified manufacturer. (Title 22, California Code of Regulations, Section 4416(i).)

Since the economic downturn, AWI has felt the increasing pressure from consumers for a higher level of product at a lower price. The company plans to implement several training initiatives, and is applying for ETP funds to begin a critical phase in Lean implementation. This will affect all manufacturing processes along with the change on how the company operates business.

With ETP-funded training, AWI will acquire the knowledge needed to increase their efficiency and production levels, decrease their non-value-add processes and instill a new business philosophy in their employees, as well as, groom future management for the challenges they will face in the current economic market and beyond.

PROJECT DETAILS

AWI will provide the following training to 92 retrainees:

Continuous Improvement

It is the goal of AWI to have employees learn key methods and practices used in a Continuous Improvement work environment. This will allow AWI to focus its efforts on better customer service, better quality products and increased responsiveness to customer needs. All trainees will receive training in Armstrong Processes, Kaizen Process/Team Building, Lean Sigma Process Improvement, and Lean Leadership/Training.

Management Skills

Supervisors will receive new skills that are designed to support the workforce's ability to perform their jobs as the company begins its Lean implementation strategy. Skills such as Coaching for Frontline Supervisors and Maintenance Skills Trade will prepare management for the challenges they will face in the current economic market and beyond.

Commitment to Training

AWI is committed in enhancing the intellectual capital of their employees and has provided job-specific and Armstrong-mandated training such as: Diversity in the Workplace, Bridging the Workforce Generation Gap, Anti-Harassment 101, and Ergonomics to Reduce Work Related Injury, Variable Frequency Drives (VFD), Customized Program Logic Controller (PLC) and Electrical troubleshooting in the past. In 2011, AWI budgeted \$38,000 for the training of employees in the South Gate facility for training in Microsoft software, Auto-CAD, production equipment, and senior manager skills development, soft skills training and mandated training sessions as set forth by OSHA guidelines.

AWI represents that ETP funds will supplement rather than displace the company's existing financial commitment to training of its workers and anticipates that the opportunity for enhanced training made possible by ETP funds will encourage an ongoing financial commitment in this area. AWI represents that safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law.

RECOMMENDATION

For the reasons set forth above, staff recommends approval of this proposal.

DEVELOPMENT SERVICES

N/A

ADMINISTRATIVE SERVICES

N/A

TRAINING VENDORS

To Be Determined

Exhibit B: Menu Curriculum**Class/Lab Hours**

24 - 200

Trainees may receive any of the following:

CONTINUOUS IMPROVEMENT

- Armstrong Process Improvement
- Kaizen Process: Full Kaizen, Point Kaizen, Just Do-It
- Kaizen Team Building
- Lean Leadership
- Lean Sigma Process Improvement
- Lean Training
 - 5 S (Housekeeping),
 - Standardized Work,
 - Waste Elimination,
 - Set-Up Reduction,
 - Root Cause Analysis (5 Whys, A3),
 - Total Productive Maintenance,
 - Pull System,
 - 2P/3P – Process and Product Flow Improvement,
 - Six Sigma

MANAGEMENT SKILLS (Managers & Supervisors Only)

- Coaching for Front Line Supervisors
- Maintenance Skills Trade Training

Note: Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of the method of delivery.